Searches against Tax Evaders

748. SHR* BEKAL UTSAHI: Will the Minister of FINANCE be pleased to state:

(a) what are the details of the searches carried out by the Income Tax Department against tax evaders in various parts of the country dur ing May-June, 1988;

(b) what is the outcome of the searches made; and

(c) what action has been taken against the offenders?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) The Income-tax Department conducted 1140 searches in various parts of the country during the period May-June, 1988. These resulted in the seizure of prima-facie unaccounted assets worth approximately Rs. 23 crores, 2 lakhs, 6 thounsand. The persons searched, in their statements during the course of the search., admitted concealment of income to the tune of Rs. 25 crores 48 lakhs 84 thousand.

(c) Appropriate action under the Direct Tax Acts is taken in all these cases.

Concessions on Accumulated Income-tax Arrears

749. SHRI BEKAL UTSAHI: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to allow concessions in interest on accumulated income tax arrears; and

(b) if so, what are the broad outlines of the proposal?

THE MINISTER OF STATE TN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA); (a) Yes, Sir.

(b) The main features of the scheme are as under: —

(i) the scheme will be in opera, tion from 1-7-1988 to 30-9,1988;

(ii) the scheme will be applicable to all income-tax demands certificated to the Tax Recovery Officers upto 31-3-1986;

(iii) the tax peyes are entitled to a rebate of 50 per cent of the interest chargeable u/s 220(2) of the Income-Tax Act if they make the full payment of arrears demand indicated in (ii) above together with 50 per cent of the interest during the period stated in sub-para (i) .

Programme for Rural and Semi-Urban Financing

750.SHRIPARVATHANENIUP-ENDRA:
SHRI RAM NARESH YADAV:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank has devised the Service Area Approach as a new programme for rural and semi-urban financing by scheduled commercial banks and regional rural banks;

(b) if so, what are the details thereof;

(c) whether the SAA will legitimise loan melas, putting an end to the little discipline left in the rural financing circles; and

(d) if so, whether Government propose to reconsider this program me?

THE MTNTSTER OF STATE IN THE DEPARTMENT OF FPONOMTC AFFATRS IN THE MINISTRY OF